

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210



JUL - 7 2005

The Honorable Thomas J. Vilsack
Governor of Iowa
State Capitol
Des Moines, Iowa 50319-0001

Dear Governor Vilsack:

It is with pleasure that I respond to the State of Iowa's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the state submitted two requests for waivers. The requests are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c) and appear to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the state's waiver submission (copy enclosed).

Requested Waiver 1: Waiver to increase transfer authority of Local Workforce Investment Boards from the current 20 percent to 100 percent for Adult and Dislocated Worker funds.

This waiver request for funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act—the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams. Accordingly, the State of Iowa is granted a waiver of the funds transfer limitation at WIA Section 133(b)(4), through June 30, 2007. The waiver allows the state to approve local area requests to transfer up to 100 percent of local area allocations between the WIA Adult and Dislocated Worker programs.

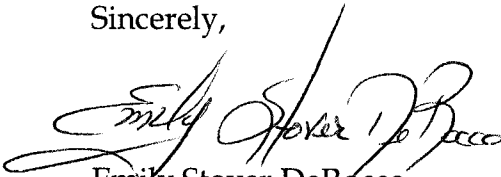
Requested Waiver 2: Extension of the waiver of the time limit on the period of initial eligibility for training providers at 20 CFR 663.530.

The state indicates that an extension of the waiver for training providers is requested to address the continuing difficulties in collection of "all student" information from training providers. Without an extension, the state indicates that many training providers are likely to opt out of the Eligible Training Provider system, thus limiting customer choice. Accordingly, the State of Iowa is granted an extension of the waiver through June 30, 2007.

As provided for under paragraph 3 of the executed Agreement, the approved waivers are incorporated by reference into the state's WIA Grant Agreement. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,



Emily Stover DeRocco

Enclosure